

07/22/2002
JUL 22 2002

Sheldon Muller
STATE OF COLORADO

Bill Owens, Governor
Jane E. Norton, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
Located in Glendale, Colorado

Laboratory and Radiation Services Division
8100 Lowry Blvd.
Denver CO 80220-6928
(303) 692-3090


1765136 - R8 SDMS



Colorado Department
of Public Health
and Environment

<http://www.cdphe.state.co.us>

July 17, 2002

Darcy O'Connor, 8ENF-T
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202

**Re: Industrial Wastewater Discharge Inspection Report for:
Rico Development Corporation St. Louis Tunnel Mine and Mill Site
CDPS Permit # CO-0029793
approx. 1 mile north of Rico, Dolores County, Colorado**

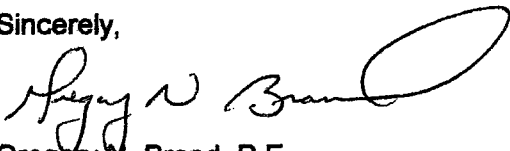
Dear Ms. O'Connor:

Attached please find a copy of Colorado Department of Public Health and Environment - Water Quality Control Division's June 4, 2002 inspection report for the above listed facility.

Please copy and distribute this report as you deem necessary.

If you have any questions or wish to discuss this situation further, please feel free to call me at (970) 247-5702, ext # 273.

Sincerely,



Gregory N. Brand, P.E.
District Engineer - Durango District Office
Water Quality Control Division

cc: Ashton Harrison, Town of Rico
LeRoy Gore, Dolores County Commissioners
Sheldon Muller, US EPA-Region 8-Denver
Tony Trumbly, Colorado Department of Law
Tom Schaffer, WQCD-Grand Junction
Leslie Simpson, WQCD-Denver

attachment: inspection report

CDPS/NPDES FACILITY INSPECTION REPORT

SECTION A NATIONAL DATA SYSTEM CODING

Transaction Code 1 <u>N</u> 2 <u>5</u>		CDPS/NPDES 3 <u>C</u> <u>0</u> <u>0</u> <u>0</u> <u>2</u> <u>9</u> <u>7</u> <u>9</u> <u>3</u> 11		yr/mo/day 12 <u>0</u> <u>2</u> <u>0</u> <u>6</u> <u>0</u> <u>4</u> 17		Inspection Type 18 <u>C</u>		Inspector 19 <u>S</u>		Fac Type 20 <u>2</u>	
Remarks (See Code)											
21 Reserved Facility Evaluation Rating 67 <u> </u> 69 <u> </u> 70 <u>1</u> 71 <u>N</u> 72 <u>N</u> 73 <u>1</u> <u>7</u> 74 <u> </u> 75 <u> </u> <u> </u> <u> </u> <u> </u> <u> </u> 80 <u>None</u>											

SECTION B FACILITY DATA

Name of Facility Inspected <u>Rico Development Corp. - St. Louis Tunnel Mine & Mill Site</u>		Entry Time <u>1:00</u>	<input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Permit Effective Date <u>2-1-94</u>
Physical Location <u>1 mile north of Rico, Colorado, just east of Dolores River</u>		Permit Expiration Date <u>1-31-99</u>		
Name(s) of On-Site Representative(s) <u>None</u>		Title(s) <u>X</u>		Phone No(s) <u>X</u>
Address <u>X</u>		City <u>X</u>		State <u>X</u>
Name of Person Conducting Inspection <u>Greg Brand (WQCD - Durango) and</u>		Name <u>Jess Vann (WQCD - Grand Junction)</u>		

SECTION C AREAS EVALUATED DURING INSPECTION

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

<u>U</u>	Permit	<u>U</u>	Flow Measurement	<u>N</u>	Pretreatment	<u>U</u>	Operations & Maintenance
<u>U</u>	Records/Reports	<u>U</u>	Laboratory	<u>U</u>	Compliance Schedules	<u>U</u>	Sludge Disposal
<u>U</u>	Facility Site Review	<u>U</u>	Effluent/Receiving Waters	<u>U</u>	Self-Monitoring Program	<u> </u>	Other:

SECTION D OPERATION MAINTENANCE

Operator in Charge: None No. of Operators: 0

Budget: \$ Salaries: \$ Utilities: \$ Maintenance: \$

Chemicals: \$ Sludge: \$ Other: \$ Unit Trmt. Cost/1,000 gals.: \$

Collection System: No. of Taps: Not Applicable No. of Lift Stations: None

Pop. Eq. Served: Not Applicable I/I Program: Not Applicable Treatment Process: lime addition to mine drainage, series of settling ponds, discharge to Dolores River.

Design Capacity: Hydraulic: Greater than 1 MGD Organic: Not applicable

Present Loading: Hydraulic: Organic: Not applicable % Cap. NA

SECTION E MONITORING AND COMPLIANCE

Type and location of flow measuring equipment: 9"-wide Parshall Flume

Accurate, (Yes/No): Unknown If (No), Comment:

Date of Last Calibration: Unknown

Lab performing DMR analysis: Permittee has discontinued monitoring.

Analysis in compliance with approved procedures, (Yes/No): No If (No), Comment: Permittee has discontinued monitoring.

Sampling in compliance with permit requirements, (Yes/No): No If (No), Comment: Permittee has discontinued monitoring.

Physical description of receiving stream: Dolores River @ Outfall 002, looked OK.

Does facility meet permit requirements: No

List facilities deficiencies: See Inspection Report Narrative.

Comments: See Inspection Report Narrative.

**Colorado Department of Public Health and Environment
Water Quality Control Division
Industrial Wastewater Discharge Inspection Report for:**

Page 1 of 4

Rico Development Corporation
St. Louis Tunnel Mine and Mill Site
CDPS Permit # CO-0029793
approx. 1 mile north of Rico, Dolores County, Colorado

Date of Inspection: June 4, 2002

Inspectors:	Gregory Brand, District Engineer	and	Jess Vann, Technician
	Durango District Office		Grand Junction Regional Office
	Water Quality Control Division		Water Quality Control Division
	ph# 970-247-5702 ext # 273		ph# 970-248-7155

On June 3, 2002, G. Brand contacted Rico Properties / Rico Renaissance (Rico, CO) to inform them of WQCD's inspection at the Rico Development Corporation St. Louis Tunnel Mill and Mine Site ("the Site") scheduled for June 4, 2002. Although, neither Rico Properties or Rico Renaissance admit ownership or responsibility for the site and wastewater treatment facilities, neither parties have objected to WQCD visiting the Site. Both Rico Properties and Rico Renaissance have offered their assistance to WQCD if we needed any. Rico Properties / Rico Renaissance have an on-going open invitation to WQCD and EPA to access the Site, take samples, take photographs, etc., whenever we need to.

Rico Development Corporation:

Wayne E. Webster (owner, reported as Deceased)
P.O. Box 592
Athens, Texas 75751

Rico Renaissance L.L.C. and Rico Properties L.L.C.

Lynn Lang (office manager) ph# 970-967-5440
Stan Foster (realtor, developer)
Rico Properties LLC
P.O. Box 220
Rico, Colorado 81332

U.S. EPA Region 8 and Colorado Department of Law have filed a lawsuit against Rico Development Corporation for violations of the Clean Water Act. Litigation (in federal court) and Settlement Discussions are currently on-going. U.S. EPA Region 8 is currently coordinating enforcement activities.

U.S. EPA Region 8 and Colorado Department of Law

Darcy O'Connor, 8ENF-T ph# 303-312-6392
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202

Tony Trumbly ph# 303-866-5054
Natural Resources Section
Colorado Department of Law
1525 Sherman Street, 5th Floor
Denver, CO 80203

Sheldon Muller, 8ENF-L ph# 303-312-6916
Enforcement Attorney
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202

Voluntary Cleanup Contacts

Mark Walker, HMWMD-B2 ph# 303-692-3449
Voluntary Cleanup Specialist
Colorado Department of Public Health & Environment
Hazardous Materials & Waste Management Division
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

Chuck Stilwell, P.E. ph# 406-563-5211
Atlantic-Richfield Company
(Arco Minerals)
307 E. Park Street, Room 400
Anaconda, Montana 59711

On Monday, June 4, 2002, WQCD (G. Brand and J. Vann) conducted an inspection of the Site.

WQCD inspected the St. Louis Tunnel, the wastewater treatment facility, the St. Louis Settling Pond system, Outfall 002 which is the permitted discharge point from the Pond system to the Dolores River, and Outfall 001, also known as the Blaine Tunnel which discharges into Silver Creek.

The access road gate to the St. Louis Tunnel Site was locked and closed. A sign was posted at the gate which read as "Caution, No Trespassing, Potentially Hazardous Area". The WQCD inspectors walked around the locked gate and toured the Site. Snow at the Site had already melted.

It became apparent to WQCD that conditions at the Site had changed and that maintenance, reclamation, or investigatory work has occurred at the Site since the inspectors last official WQCD inspection on May 7, 2001. After consultation with the U.S. EPA - Region 8 and the Colorado Department of Law (after the inspection), the WQCD inspectors were informed that the Atlantic - Richfield Company (Arco Minerals) had been on-site and were conducting various activities in preparation for possibly addressing the St. Louis Tunnel Portal discharge and other possible site remediation activities.

A large steady flowrate (unable to estimate) of turbid orangish-yellow colored liquid was discharging from the St. Louis Tunnel Portal. The mine drainage flow apparently is suppose to split with part going directly to the Settling Pond system with the other part going to the wastewater treatment facility. The Splitter Box, which is located between the St. Louis Tunnel Portal and the wastewater treatment plant, was arranged such that all the mine drainage was directed into the Settling Pond system. No mine drainage flow was directed into the wastewater treatment plant.

Heavy black liner material has been placed in the diversion channels from the St. Louis Tunnel Portal to the Settling Pond system. It appeared that all mine drainage was flowing in the lined diversion channels to the Settling Pond system. The diversion channels were routed such that the uppermost Settling Ponds had been by-passed. The uppermost Ponds appeared to be dry of mine drainage liquid. Orange/red/brown colored sludge (settled and precipitated material) was visible in the uppermost Ponds.

WQCD inspectors did not see any of the orangish-yellow mine drainage being discharged directly from the St. Louis Tunnel Portal into the Dolores River. It appeared to WQCD that the mine drainage is flowing through the Settling Ponds prior to discharge to the Dolores River. For over five (5) years, the wastewater treatment plant (lime addition operation) has apparently been locked, and completely shut-down and non-operational. No records appeared to be kept on-site. No certified wastewater treatment operator was on-site.

In general, the St. Louis Tunnel mine drainage flows into the Settling Pond system and then flows from one pond to the next (approximately a total of 10 ponds). The initially turbid water becomes clearer as the water flows through the Settling Pond system. The entire wastewater surface flow from the Settling Pond system appeared to flow through permitted discharge point (Outfall 002). This discharge goes directly into the Dolores River. WQCD estimated the flowrate through the parshall flume at approximately 605,000 gallons per day. The location of Outfall 002 has been measured at Latitude 37°42.06 N, Longitude 108°01.83 W.

WQCD took water quality grab samples at Outfall 002. Field measurements were as follows: pH = 6.98, Specific Conductance = 1449, Temperature = 11.9° C, Dissolved Oxygen = 7.68.

Outfall 002 samples were taken, and sent to and analyzed at the State Laboratory (Denver, CO) for: Total recoverable ("TR") Cadmium, TR Copper, Total Hardness as CaCO₃, TR Lead, Mercury, TR Silver, Total Suspended Solids, and TR Zinc.
See attached sample results and supporting paperwork.

WQCD inspected the Blaine Tunnel (Outfall 001) which is located east of Rico, up Silver Creek. The access road was clear of snow, so WQCD was able to inspect the Blaine Tunnel for any discharge(s). Access to the Blaine Tunnel site has been gated off at the old mine buildings. The WQCD inspectors walked from the gate at the mine buildings to the Blaine Tunnel.

WQCD found No Discharge coming from the Blaine Tunnel (Outfall 001). Therefore, no wastewater (mine drainage) samples were taken.

The Blaine Tunnel Portal now has a gate across the entrance.

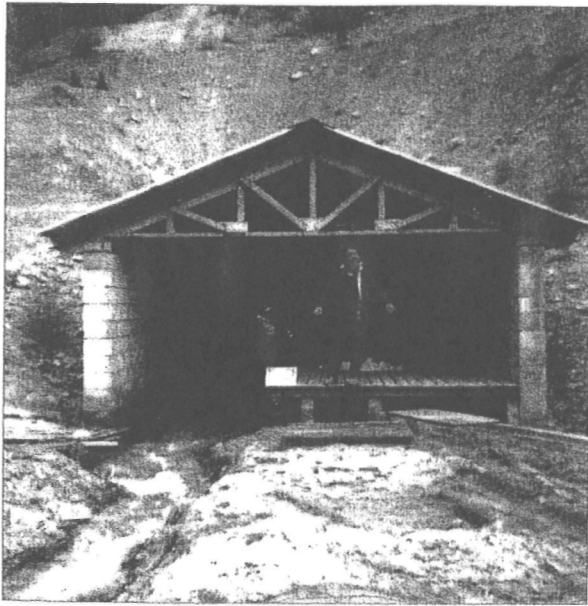
Continuing Wastewater Discharge Permit Violations

1. **PC Part I.A.1.b. Effluent Limitations from Outfall 002** WQCD strongly suspects that the wastewater treatment plant (lime addition operation) has been non-operational for over (5) five years, and that effluent limitations are being exceeded.
2. **PC Part I.B.1.a. and PC Part I.B.2** According to WQCD-Denver records, the last Discharge Monitoring Report ("DMR") was filed with WQCD-Denver for August 1996. Therefore, over five (5) years of required monitoring has not been performed and reported as per permit conditions.
3. **PC Part II.A.3** WQCD-Durango does not believe the permittee has provided WQCD-Denver and/or EPA Region 8 with the proper notification regarding non-compliance at Outfall 002.

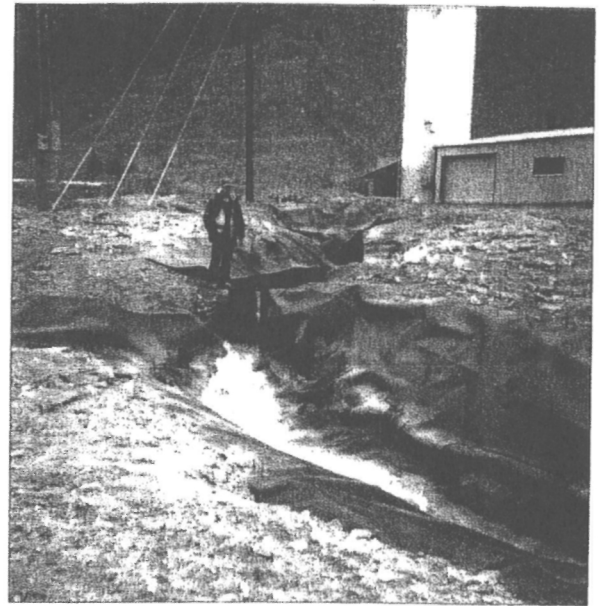
4. PC Part II.A.5 and A.6 WQCD-Durango does not believe that the permittee notified WQCD that a bypass of the Wastewater Treatment Plant has been occurring.
 5. PC Part II.A.9 The permittee has not taken all reasonable steps to minimize adverse impacts to State waters. For over five (5) years, the permittee has apparently stopped treating the mine drainage from the St. Louis Tunnel and monitoring Outfall 002, which discharges into the Dolores River. No routine maintenance is occurring at the Site.
 6. PC Part II.A.12 For over five (5) years, the permittee has apparently not properly operated and maintained all facilities and systems of treatment and control which are included under this permit.
 7. PC Part II.B.3 Although the permittee (Rico Development Corporation) has claimed that they are not responsible for the site or the permit, no transfer of ownership or control of this permit was made in accordance with this permit condition. WQCD-Durango is not aware of any written agreements regarding transfer of permit responsibility, coverage and liability.
-

WQCD-Durango District Office will continue to support U.S. EPA, the Colorado Department of Law, and WQCD-Denver as needed.

Attachments: June 4, 2002 inspection report form by WQCD.
June 4, 2002 inspection photographs by WQCD.
Outfall 002 Analytical Sample Results and supporting paperwork.



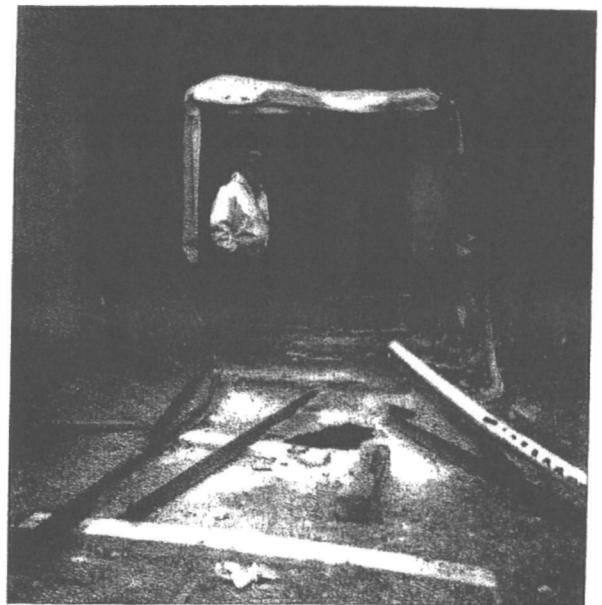
St. Louis Tunnel Portal with all mine drainage directed away from the old wastewater treatment facility. 6-4-02



Heavy black liner material in diversion channels with mine drainage flowing to Settling Ponds. 6-4-02



Uppermost Settling Ponds appear dry with orange/red/brown sludge drying and visible on the pond beds. 6-4-02



Blaine Tunnel Portal with gate across entrance. No Discharge from Blaine Tunnel. 6-4-02

Inspection of site and wastewater treatment facilities at:
 → Rico Development Corp. - St. Louis Tunnel Mine & Mill Site,
 CDPS Permit Number = CO-0029793, Dolores County, Colorado.

Photos by: Greg Brand, WQCD-Durango

See 6-4-2002 Inspection Report for narrative details.

Photo Page 1 of 1



Colorado Department
of Public Health
and Environment

Laboratory and Radiation Services Division
8100 Lowry Boulevard, Denver CO 80230-6928
US Mail: PO Box 17123, Denver CO 80217
(303) 692-3090 fax (303) 344-9989

20021934

LABORATORY USE ONLY

REQUEST FOR ANALYTICAL SERVICES

Collection No:

□□□□□□□□

CUSTOMER

Customer ID: EN000014
Name: CDPHE-WCQD-Tech Serv. Grand Junction
Address: 222 S. 6th St. Room 232
City/St/Zip: Grand Junction, CO 81501
Contact: Bryan Flynt
Phone: (970) 248-7154

SAMPLE INFORMATION

Collected: 06/04/02 Time: 13:30 a.m.
month day year hour min p.m.

Collected by: Jess Vann

Matrix:

- ☐ Surface Water
☐ Ground Water
☐ Treated Water

pH = 6.9854.
Temp = 11.9°C.
Cond = 1449 us T.C.

SAMPLE SITE

-PWS ID- CO-0029793 □□□□

PERMIT No.

Sample Location: DISCHARGE 002

Description: Rico Development Corporation

Address: St. Louis Tunnel

City: St Zip:

COMMENTS

Purpose: ☐ Routine ☐ Special Purpose ☐ Repeat

Chlorine residual: □□□ MG/L Temp., Water: □□ F

Comments: Flow = 0.6048 MG/D AT TIME
OF SAMPLE.

TEST ORDER (Check appropriate box):

CHEMISTRY - INORGANIC

- | | |
|--|---|
| <input type="checkbox"/> Alkalinity, Phenolphthalein | <input type="checkbox"/> Molybdenum |
| <input type="checkbox"/> Alkalinity, Total | <input type="checkbox"/> Nickel |
| <input type="checkbox"/> Aluminum | <input type="checkbox"/> Nitrogen, Ammonia Dist. |
| <input type="checkbox"/> Antimony | <input type="checkbox"/> Nitrogen, Kjeldahl |
| <input type="checkbox"/> Arsenic | <input type="checkbox"/> Nitrogen, Total |
| <input type="checkbox"/> Barium | <input type="checkbox"/> Nitrate/Nitrite |
| <input type="checkbox"/> Beryllium | <input type="checkbox"/> Nitrite |
| <input type="checkbox"/> BOD | <input type="checkbox"/> pH |
| <input type="checkbox"/> Boron | <input type="checkbox"/> Phosphate, Ortho |
| <input checked="" type="checkbox"/> Cadmium T.R. | <input type="checkbox"/> Phosphate, Total |
| <input type="checkbox"/> Calcium | <input type="checkbox"/> Potassium |
| <input type="checkbox"/> Chloride | <input type="checkbox"/> Selenium |
| <input type="checkbox"/> Chlorine | <input type="checkbox"/> Silicon (silicates) |
| <input type="checkbox"/> Chromium | <input checked="" type="checkbox"/> Silver T.R. |
| <input type="checkbox"/> Conductivity | <input type="checkbox"/> Sodium |
| <input checked="" type="checkbox"/> Copper T.R. | <input type="checkbox"/> Solids, Dissolved |
| <input type="checkbox"/> Corrosivity (record temp.) | <input checked="" type="checkbox"/> Solids, Suspended |
| <input type="checkbox"/> Cyanide, Dist. | <input type="checkbox"/> Solids, Total |
| <input type="checkbox"/> Fluoride | <input type="checkbox"/> Sulfate |
| <input checked="" type="checkbox"/> Hardness, total | <input type="checkbox"/> Thallium |
| <input type="checkbox"/> Iron | <input type="checkbox"/> Uranium |
| <input checked="" type="checkbox"/> Lead T.R. | <input checked="" type="checkbox"/> Zinc T.R. |
| <input type="checkbox"/> Magnesium | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Manganese | <input type="checkbox"/> Other: |
| <input checked="" type="checkbox"/> Mercury | |

CHEMISTRY - ORGANIC

- ☐ Carbamates
☐ VOC
☐ THM
☐ BTEX
☐ DIQUAT
☐ SOC
☐ SVOC
☐ Pesticides
☐ Glyphosate
☐ Herbicides
☐ EDB/DBCP
☐ PCB
☐ TOC
☐ DRO
☐ HEM (Oil Grease)
☐ Other:
☐ Other:

Phase 1,2,5 - ANALYSES

- ☐ Organic (SOC / VOC)
☐ Inorganic

RADIOCHEMISTRY

- ☐ Alpha/Beta, Gross
☐ Americium
☐ Carbon-14
☐ Gamma Screen
☐ Gamma Spectrometry,
Nuclide Specific
☐ Leak Test
☐ Plutonium
☐ Radium 226
☐ Radium 228
☐ Radon
☐ Thorium
☐ Tritium
☐ Other:
☐ Other:

MICROBIOLOGY

- ☐ Total Coliforms, PA
☐ Total Coliforms, MTF
☐ Heterotrophic Plate Count
☐ Pseudomonas MPN
☐ E. Coli., MPN
☐ Other:
☐ Other:

T.R. = TOTAL RECOVERABLE

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
INORGANIC CHEMISTRY LABORATORY
P.O. BOX 17123, DENVER, CO 80217-0123
(303) 692-3048

DATE: 06/27/02
REPORTED BY: SA

SAMPLE NUMBER: 20021934
SAMPLE DESCRIPTION: CDPHE-WCQD-TECH SERV GRAND JUNCTION

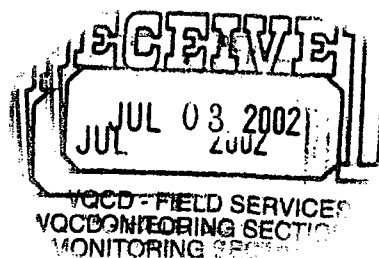
ADDRESS : 222 S 6TH ST ROOM #232 COUNTY:
GRAND JUNCTION, CO 81501 PHONE : 9702487154

COLLECTED BY: JESS VANN
WHERE: ST LOUIS TUNNEL
DATE SAMPLED: 06/04/02
DATE RECEIVED: 06/07/02
BOTTLES: LNEUT, LM, 2M
TYPE: 4
COMMENTS: TR METALS-COPPER, LEAD, CADMIUM, SILVER, ZINC

ANALYSIS RESULTS

CADMIUM	3	ug/L
COPPER	10	ug/L
HARDNESS, TOT. ***	760	mg/L
LEAD	2	ug/L
MERCURY	< 0.1	ug/L
SILVER	< 0.4	ug/L
SOLIDS, SUS.	< 10	mg/L
ZINC	700	ug/L

*** AS CaCO3



Colorado Department of Public Health and Environment
Water Quality Control Division, Jess Vann

JUL 03 2002

VQCD - FIELD SERVICES
MONITORING SECTION

Page 1 of 1

List of Samples to be Relinquished with Date of Sampling, Site #, or Sample # or ID, and Description

[illegible]